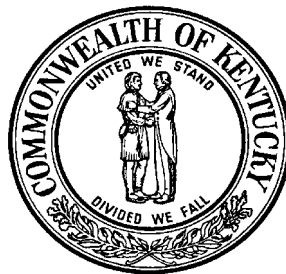


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT OF THE
MAGOFFIN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2001
Through November 27, 2002**



**EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS
www.kyauditor.net**

**144 CAPITOL ANNEX
FRANKFORT, KY 40601
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**



EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS

Dana Mayton, Secretary, Revenue Cabinet
Honorable Sally Patrick
Magoffin County Property Valuation Administrator
Salersville, Kentucky

Independent Accountant's Report

We have performed the procedures enumerated below, which were agreed to by the Magoffin County Property Valuation Administrator, solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for period July 1, 2001 through November 27, 2002. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Magoffin County Property Valuation Administrator. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the Property Valuation Administrator has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month.

Finding - No exceptions were noted.

Client Response:

OK.

2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding - No exceptions were noted.

Client Response:

OK.

Dana Mayton, Secretary, Revenue Cabinet
Honorable Sally Patrick
Magoffin County Property Valuation Administrator
(Continued)

3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Revenue Cabinet. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the Property Valuation Administrator's local bank account.

Finding -

The Fiscal Court paid the PVA her last four quarterly payments in one lump sum totaling \$10,600 on 11/26/02. In addition, the PVA owes the Kentucky Revenue Cabinet \$7,242 for deputy hire for fiscal year ending 6/30/03. The new PVA will deposit the \$10,600 receipt and pay the outstanding liability to the Revenue Cabinet when he takes office on December 2, 2002. The new PVA will make the deposit and pay the outstanding liability because the current PVA has officially signed her closing statement of funds with the Revenue Cabinet, and therefore, the balances would change if any deposits were made or any checks written. All other deposits were made timely.

Client Response:

OK.

4. Procedure -

Select a sample of disbursements from available Property Valuation Administrator's records and agree amounts to cancelled checks, paid invoices, or other supporting documentation. Determine if the expenditure is for official business.

Finding -

No exceptions were noted.

Client Response:

OK.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets.

Finding -

No exceptions were noted.

Client Response:

OK.

Dana Mayton, Secretary, Revenue Cabinet
Honorable Sally Patrick
Magoffin County Property Valuation Administrator
(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

No exceptions were noted.

Client Response:

OK.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Property Valuation Administrator and the Revenue Cabinet and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Respectfully submitted,



Edward B. Hatchett, Jr.
Auditor of Public Accounts

Engagement fieldwork completed -
November 27, 2002